

# CORVALLIS MILLRACE CENTER

1750 SW 3RD ST | CORVALLIS | OREGON



Marcus & Millichap



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# EXECUTIVE SUMMARY





# OFFERING SUMMARY

**MARCUS & MILLICHAP HAS BEEN EXCLUSIVELY CHOSEN TO MARKET CORVALLIS MILLRACE**, a versatile mixed-use property located in Corvallis, OR. This dynamic complex offers a blend of retail, office, and industrial spaces, built in 1973 and renovated in 1997. Spanning **41,478 square feet** on a generous **2.95-acre lot**, it provides ample room for diverse business operations. Recent improvements include a **brand new roof installed on building 1750 in 2024**, a **three-year-old warrantied roof on building 1760**, and a roof just under five years old on building 1780. Additionally, the **parking lot has been recently redone**, new gas packs have been installed on the roof of building 1750, and a **wireless fire suppression system is being implemented** to eliminate monthly phone line charges. A **flood designation removal is also in progress**, and a **10-year transferable warranty** is available.

Corvallis Millrace Center boasts an impressive roster of tenants, including prestigious institutions like **Oregon State University**, as well as established companies such as **Ferrellgas** and **Kohler Design Corporation**. Its strategic location near **Oregon State University’s campus**, home to over **37,000 students and 9,000 faculty and staff**, ensures a steady flow of potential customers and employees. With **78 on-site parking spaces**, multiple points of ingress and egress, and prominent signage, the center offers excellent visibility and accessibility for tenants and visitors alike. Building 1780 is further enhanced with a **3-phase 480 amp power supply**. This prime positioning, combined with its flexible spaces and diverse tenant mix, makes Corvallis Millrace Center an attractive option for businesses looking to establish or expand their presence in the thriving Corvallis market.



# SITE DESCRIPTION

ADDRESS	1750-1780 SW 3rd St Corvallis, OR 97301
PARCEL(S)	12511BB00200
LOT SIZE	2.95 AC (128,502 SF)
GLA (SF)	41,478 SF
SUITES	11
YEAR BUILT/RENOVATED	1973/1997

**PRICE: \$5,200,000**  
**CAP RATE: 7.05%**



# INVESTMENT HIGHLIGHTS



## STRATEGIC LOCATION

Strategically located near **Oregon State University's campus**, which is home to over **37,000 students and 9,000 faculty and staff**, the property benefits from a steady flow of potential customers and employees. This proximity enhances tenant appeal and ensures consistent demand for retail, office, and industrial spaces.



## DIVERSE TENANT MIX

The property features an impressive roster of tenants, including **Oregon State University**, **Ferrellgas**, and **Kohler Design Corporation**. This diverse mix of prestigious institutions and established businesses highlights the center's broad market appeal and stable income potential.



## EXTENSIVE RECENT UPGRADES

Corvallis Millrace has undergone significant upgrades, including **new roofs (2024 for building 1750, three-year-old roof on 1760, and a five-year-old roof on 1780)**. Recent enhancements include a **redone parking lot**, **new gas packs**, and a **wireless fire suppression system**. A **flood designation removal** is underway, with a **10-year transferable warranty**.



## EXCEPTIONAL FEATURES

Spanning **41,478 square feet** on a **2.95-acre lot**, Corvallis Millrace offers flexible spaces suited for diverse business operations. Key features include **78 on-site parking spaces**, multiple points of ingress and egress, prominent signage for excellent visibility, and a **3-phase 480 amp power supply** to building 1780. These attributes make it an attractive investment opportunity in the thriving Corvallis market.





An aerial photograph of an industrial park. In the foreground, there are several large, low-rise industrial buildings with flat roofs. One building has a green section. To the right, a multi-lane road runs diagonally, with several cars and a large orange truck. The background is filled with more industrial buildings and a dense forest of trees. The overall scene is captured in a slightly desaturated, high-angle shot.

# ■ FINANCIAL OVERVIEW

Q2



# RENT ROLL

SUITE	TENANT NAME	SF	BASE RENT	ANNUAL RENT	TAX/CAMS	START DATE	EXP DATE	OPTIONS
1750A	Corvallis Wholesale	2,500	\$2,172	\$26,064	6% / 14.5%	09-01-2018	09-01-2028	One (1), Five (5) Year Option
1750B	Hispanic Church	3,100	\$2,625	\$31,500	7.5% / 19%	10-15-2023	10-31-2026	-
1750C	Corvallis Contractor	4,750	\$4,200	\$50,400	9% / 29%	01-01-2025	12-31-2027	Two (2), Three (3) Year Options
1750D	Kohler Design	2,800	\$2,673	\$32,076	7% / 20%	08-01-2015	07-31-2030	-
1750E	VeoRide	3,548	\$3,252	\$39,024	9% / 22%	07-01-2024	06-30-2027	-
1750F	Ferrell Gas	1,100	\$1,100	\$13,200	3% / 7%	12-01-2003	Monthly	-
1760A&B	Corvallis Healing	4,180	\$4,500	\$54,000	10% / 100%	10-01-2023	12-31-32	-
1780A	Corvallis Crossfit	5,500	\$4,098	\$49,176	15% / none	07-01-2023	06-30-2028	One (1), Five (5) Year Option
1780B	OSU	6,500	\$4,812	\$57,744	16% / 33%	01-01-2018	05-31-2027	Three (3), Three (3) Year Options
1780C	OSU	7,500	\$5,552	\$66,624	18.5% / 18.5%	01-01-2018	05-31-2027	Three (3), Three (3) Year Options
TOTALS		41,478	\$35,792	\$429,510	100% OF PROP TAX			

# FINANCIAL ANALYSIS

EXPENSES	
Common Area Maintenance (CAM)	
Electricity	(\$9,250)
Water	(\$579)
Sewer	(\$16,612)
Garbage and Recycling	(\$2,198)
Natural Gas	(\$2,723)
Fire Protection	(\$2,225)
Landscaping	(\$4,200)
Insurance	(\$9,855)
Real Estate Taxes	(\$39,272)
Management Fee - 4.0%	(\$19,463)
Vacancy Factor - 5.0%	(\$21,000)
TOTAL EXPENSES	(\$127,377)
INCOME	
Base Rental Income	\$429,510
Expense Reimbursement Income	
CAM's	\$25,324
Real Estate Taxes	\$39,272
TOTAL EXPENSES	(\$127,377)
Total Expense Reimbursement Income	\$64,596
NET OPERATING INCOME	\$366,729







# ■ TENANT SUMMARY

03



# TENANT OVERVIEW

## OREGON STATE UNIVERSITY

**Oregon State University (OSU)** is a prominent public land-grant research university located primarily in **Corvallis, Oregon**. Founded in **1868**, it is the state’s largest university and a significant contributor to Oregon’s economic, scientific, and cultural development.

### ACADEMIC PROGRAMS

OSU offers more than **200 undergraduate degree programs** and over **100 graduate programs** across **11 colleges**: College of **Agricultural Sciences**, College of **Business**, College of **Earth, Ocean, and Atmospheric Sciences**, College of **Education**, College of **Engineering**, College of **Forestry**, College of **Liberal Arts**, College of **Pharmacy**, College of **Public Health and Human Sciences**, College of **Science**, and College of **Veterinary Medicine**.

### RESEARCH AND INNOVATION

Oregon State is classified as an **R1 Doctoral University**, indicating very high research activity. The university is known for its strengths in:

- Marine Sciences
- Forestry
- Agricultural Sciences
- Nuclear Engineering
- Robotics

### ATHLETICS

OSU’s athletic teams, known as the **Oregon State Beavers**, compete in the **Pac-12 Conference** of the NCAA Division I. The university has a strong tradition in baseball, having won the College World Series multiple times.

### NOTABLE ACHIEVEMENTS

- Recognized as a top-tier research institution by the Carnegie Classification of Institutions of Higher Education
- Home to the **Hatfield Marine Science Center** in Newport, a leading coastal and marine research facility
- Operates the **O.H. Hinsdale Wave Research Laboratory**, one of the largest tsunami research facilities in the world

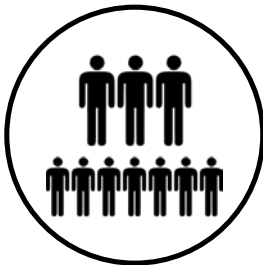
### COMMUNITY IMPACT

OSU has a significant economic and cultural impact on Oregon, contributing to workforce development, research innovation, and community engagement through its extension services and outreach programs.

In summary, Oregon State University stands as a cornerstone of higher education in Oregon, known for its comprehensive academic offerings, cutting-edge research, and commitment to public service and community engagement.



Oregon State University



36,636  
ENROLLMENT



67%  
GRADUATION RATE



200  
DEGREE PROGRAMS



#1  
COLLEGE TOWN IN THE WEST COAST



## TENANT OVERVIEW



**CORVALLIS WHOLESALE** is a local business that has established itself as a go-to destination for **bulk purchases** and **discounted goods** in the Corvallis area. This wholesale outlet caters to a diverse customer base, including **individuals, families, small businesses, and local organizations**, offering a wide range of products such as **household essentials, office supplies, food and beverages, and general merchandise**. As a local business, Corvallis Wholesale plays a role in the **local economy**, providing employment opportunities and supporting other area businesses through its supply chain. The store's presence offers Corvallis residents an alternative shopping option that combines the benefits of bulk purchasing with the convenience of a local retailer.



**KOHLER DESIGN** is a leading platform that showcases the innovative and luxurious products of **Kohler Co.**, a renowned global leader in **kitchen and bath design**. The site offers a comprehensive look at Kohler's extensive range of **high-quality fixtures, faucets, and other home decor solutions**, highlighting the company's commitment to **style, functionality, and sustainability**. Through Kohler Design, users can explore the latest **trends and technologies** in home design, from sleek **bathroom fixtures** to sophisticated **kitchen appliances**. By providing inspiration and resources for architects, designers, and homeowners, Kohler Design helps bring visionary spaces to life.



**FERRELLGAS**, founded in **1939**, is a leading **propane provider** in the United States, serving both residential and commercial customers. The company offers a comprehensive range of **propane services**, including **delivery, tank installation, and maintenance**, with a focus on simplicity and convenience. Ferrellgas provides **free price quotes, flexible delivery options**, and various **payment plans** to accommodate different customer needs. The company offers online tools and a user-friendly website to request quotes, schedule deliveries, and manage their accounts. With a strong emphasis on **safety and reliability**, Ferrellgas employs trained professionals and utilizes modern technology, while also supporting **sustainability and community** initiatives through charitable programs.

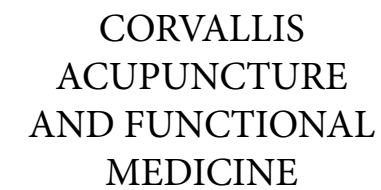
## TENANT OVERVIEW



**CORVALLIS CROSSFIT** provides a **supportive, community-driven environment** where individuals can “**build strength, endurance, and confidence**” through a variety of **structured fitness programs**. These programs are designed to challenge and improve overall fitness levels, making them suitable for **beginners, experienced athletes, and everyone in between**. The gym emphasizes a **holistic approach to fitness**, focusing not only on physical development but also on **mental toughness and community building**. By fostering a positive and encouraging atmosphere, Corvallis CrossFit helps members achieve their fitness goals while becoming part of a vibrant and motivating community.



**VEO RIDE** is a **shared micromobility provider** committed to ending car dependency by making clean transportation accessible to all, offering millions of **bike and scooter rides annually** in over 50 cities. They prioritize **collaborative relationships with cities** to build a sustainable, safe, and equitable transportation future. **Veo's in-house design and manufacturing process** focuses on providing cities with the **safest and most accessible fleet** of electric bikes and scooters on the market. Founded in 2017, Veo was an early advocate for financially responsible business models. By achieving profitability, Veo demonstrates its commitment to long-term sustainability and growth in the micromobility sector.



**CORVALLIS ACUPUNCTURE AND FUNCTIONAL MEDICINE** offers **comprehensive, quality medical care** in the Willamette Valley, blending **Eastern and Western medicine** to create whole health for each patient. Their philosophy supports the **total health of the individual**, treating pain to improve functionality and overall enjoyment of life. They also delve deeper to benefit lineages and release trauma, aiming for each individual's greatest expression of joy, purpose, and mission. By providing **personalized treatment plans and holistic care**, they help patients achieve optimal wellness and improve their quality of life through **acupuncture, functional medicine, and other integrative therapies**.







# LOCATION OVERVIEW













# ■ MARKET OVERVIEW





# CORVALLIS

## OREGON



### POPULATION

In 2023, the area's population is 106,144, reflecting a 9.09% growth since 2010, with an estimated increase to 108,394 in five years (a 2.1% change). The population is 49.9% male and 50.1% female, with a median age of 33.3 years, lower than the U.S. average of 38.7, and a population density of 337 people per square mile.



### HOUSEHOLDS

There are currently 42,558 households in the area, reflecting a 9.29% change since 2010. It is estimated that this number will increase to 43,606 in five years, representing a 2.5% growth. The average household size in the area is 2.3 people.



### INCOME

In 2023, the median household income in the area was \$58,921, lower than the U.S. average of \$80,610, and has increased by 29.88% since 2010. It is projected to rise to \$70,519 in five years, reflecting a 19.7% change. The per capita income in the area is \$35,350, below the U.S. average, while the average household income is \$85,680, also lower than the national figure.



### EMPLOYMENT

In 2023, the area had 53,810 employed individuals. According to the 2010 Census, 61.3% of employees were in white-collar occupations, and 16.6% were in blue-collar occupations. The unemployment rate in the area was 4.0% in 2023, and the average commute time to work was 19 minutes in 2010.



### HOUSING

In 2023, the median housing value in the area was \$392,348, significantly higher than the U.S. median of \$268,796. In 2010, there were 21,124 owner-occupied housing units and 17,817 renter-occupied housing units in the area.



### EDUCATION

In 2023, the area showed higher educational attainment than U.S. averages, with 23.2% holding graduate degrees and 25.8% holding bachelor's degrees, compared to national averages of 12.7% and 20.2% respectively. The area had fewer high school graduates (15.3% vs. 26.9%) and slightly fewer associate degrees (8.3% vs. 8.5%), but a higher percentage of residents who completed some college (22.2% vs. 20.1%).

## CORVALLIS OVERVIEW

**CORVALLIS**, Oregon, is a thriving city with a strong focus on innovation and sustainability, anchored by **Oregon State University**, one of only two land, sea, space, and sun grant institutions in the U.S. The city boasts a highly educated workforce and a burgeoning innovation economy, with over **25 software companies** and major employers like **Hewlett-Packard**. Ongoing infrastructure projects, such as the **Philomath Boulevard Functional Design** and the **Corvallis to Albany Multiuse Path Project**, aim to improve transportation and connectivity in the region. Additionally, the **Corvallis Riverfront Commemorative Park** project is revitalizing the riverfront along the Willamette River, creating a community hub with new amenities for outdoor activities and events. Major employers include **Oregon State University**, **Linn Benton Community College**, and **Good Samaritan Hospital**. With an **average hourly wage of \$32.47**, slightly higher than the national average, Corvallis is well-positioned for economic growth.

The city is committed to sustainable development, as evidenced by its **Climate-Friendly Areas (CFA) study**, which addresses future housing needs while promoting environmentally friendly practices. A major mixed-use development, **The Gordon at First Street and Madison Avenue** will include a **75-room boutique hotel** and **92 private residences**, addressing the pressing housing demands in Corvallis. Groundbreaking for this project is expected in **February 2025**, further enhancing the city's appeal. With its vibrant downtown area, numerous parks, and proximity to the Willamette Valley's renowned wineries, Corvallis continues to position itself as an attractive destination for both residents and businesses, blending modern living with its historical roots.

**59,763**  
POPULATION

**24,261**  
HOUSEHOLDS

**\$79,231**  
AVERAGE INCOME





# LOCATION HIGHLIGHTS

## OREGON STATE UNIVERSITY

**05 MIN DRIVE**

Oregon State University (OSU) is a leading public research institution in Corvallis, Oregon, serving over 37,000 students and offering 200+ undergraduate and 100 graduate programs. It is one of only three U.S. universities with land, sea, space, and sun grant designations, receiving \$449.9 million in research funding in 2022.

## RESER STADIUM

**05 MIN DRIVE**

Reser Stadium, home to Oregon State Beavers football, opened in 1953 and recently underwent a \$161 million renovation, now seating 35,548. The updated facility features modern amenities like a 360-degree concourse and a Student Welcome Center.

## MARYS PEAK

**45 MIN DRIVE**

Marys Peak, at 4,097 feet, is the highest point in Oregon’s Coast Range, offering breathtaking views of the Pacific Ocean and Cascade Mountains. Known for its diverse ecosystems, including lush meadows and old-growth forests, it provides opportunities for hiking, biking, and winter activities.

## DOWNTOWN CORVALLIS

**03 MIN DRIVE**

Downtown Corvallis is a lively area with over 40 restaurants and local boutiques, offering diverse dining experiences from Del Alma to Block 15 Brewing. The area boasts unique shopping such as Many Hands Trading and Peak Sports while providing scenic views along the Willamette River, along with cultural attractions like the Majestic Theatre and Darkside Cinema.



# DEMOGRAPHIC SUMMARY

## POPULATION

	1 MILE	3 MILES	5 MILES
2028 PROJECTION	48,430	70,620	108,394
2023 ESTIMATE	47,725	69,216	106,144
2020 CENSUS	48,027	69,290	105,776
2010 CENSUS	43,428	63,193	97,296

## HOUSEHOLDS

	1 MILE	3 MILES	5 MILES
2028 PROJECTION	19,338	28,956	43,606
2023 ESTIMATE	18,985	28,275	42,558
2020 CENSUS	18,698	27,776	41,846
2010 CENSUS	17,504	25,855	38,941

## HOUSEHOLD INCOME

	1 MILE	3 MILES	5 MILES
AVERAGE INCOME	\$73,394	\$81,929	\$85,680
MEDIAN INCOME	\$43,877	\$51,322	\$58,921
PER CAPITA INCOME	\$31,230	\$34,919	\$35,350





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